

U.S. Senate Republican Policy Committee
Larry E. Craig, Chairman Jade West, Staff Director

September 19, 2000

**Highlights of the Conference Report
to Accompany H.R. 4516, Legislative Branch and
Treasury and General Government Appropriation Bill
Conference Agreement, FY 2001**

H. Rept. 106-796 [printed in the July 26, 2000 *Congressional Record*, pages H7095-7126; see also the September 14 edition, pages H7608-27]

- On September 14 by a vote of 212-209, the House narrowly agreed to the combined conference report to fund the Treasury Department, Postal Service, and Legislative Branch.
- Major Components of H.R. 4516:
 - Treasury and General Government conference report
 - Legislative Branch conference report
 - Immediate repeal of excise tax on telephone and other communications services
 - Repeal of pay date shifts for SSI payments and veterans compensation and benefits (\$6 billion).
- The bill eliminates a 3-percent federal telephone excise tax that first was imposed 102 years ago to finance the Spanish-American War.
- The White House is demanding more funding for restructuring the Internal Revenue Service, for antiterrorism programs, and for courthouse construction. While the bill provides a net increase of \$423 million for the IRS over the current level, the \$8.64 billion provided for the agency in FY 2001 is about \$300 million below the requested amount. The media is reporting the President intends to veto the measure.
- The package includes \$40 million in contingent FY 2000 emergency supplemental funds for HUD's Federal Housing Administration for the multifamily loan subsidy program.

Department of the Treasury and General Government Appropriations

- The agreement provides a total of \$30.3 billion in new budget authority for the Department of the Treasury, the U.S. Postal Service, the Executive Office of the President, and various independent

agencies for FY 2001. This amount is \$2.05 billion above the FY 2000 enacted amount, and \$920 million below the budget request.

- Of the total \$30.3 billion, \$14.7 billion is allocated for mandatory spending and \$15.6 billion is for discretionary spending (\$1.9 billion above FY 2000).
- The bill generally continues spending at the current rate for most programs. The conferees placed a high priority on maintaining current funding levels for federal law enforcement functions and were able to provide a few new initiatives and increases in funding for some anti-crime programs. The bill supports limited new construction projects, including those planned for the Bureau of Alcohol, Tobacco and Firearms headquarters, the Food and Drug Administration consolidation, renovations of the National Archives, two border station-construction projects, and four new courthouse projects.
- Some of the increases over the FY 2000 levels include:
 - An increase of \$449 million for U.S. Customs Service, including not less than \$258 million for the Customs automation program, particularly the new one called the Automated Commercial Environment;
 - An increase of \$203.9 million for the Bureau of Alcohol, Tobacco and Firearms;
 - An increase of \$423 million for the Internal Revenue Service to support ongoing efforts for organizational modernization (total IRS funding for FY 2001 is \$8.64 billion);
 - An increase of \$15.2 million for High Intensity Drug Trafficking Areas (HIDTA's), for a total of \$206.5 million for that program;
 - An increase of \$10 million for the Drug Free Communities Act; and
 - An increase of \$141 million for the Secret Service.

Legislative Provisions in the Treasury, General Government Section

- As it did last year, the bill prohibits any funds from being used to implement actions called for solely under the Kyoto protocol, prior to its ratification.
- The bill retains current law with regard to the issues of abortion coverage and prescription contraceptive coverage in federal employees' healthcare plans. Current law prohibits the use of federal funds for abortions and requires that any prescription drug coverage include contraceptive coverage under certain circumstances and with certain exceptions.
- It retains the extension on the pilot project allowing day care in federal facilities for an additional year to obtain a proper evaluation of the demonstration project.
- The bill does not include any provisions related to Cuban sanctions.
- It does not include provisions related to the prohibition on the use of funds to provide preferential treatment for the federal acquisition of firearms or ammunition.
- It does not include any provisions relating to reforms of the Federal Election Commission, including a provision on the use of government aircraft by House and Senate candidates that was in the House-passed bill.

Legislative Branch Appropriations

- The agreement provides a total of \$2.5 billion in new budget authority for FY 2001, \$40.7 million more than FY 2000.
- Total Senate funding is \$506.8 million, \$19.4 million more than the previous year's.
- Of the total appropriation, the bill provides \$1.76 billion for congressional operations (including joint items such as the Capitol Police and the Architect of the Capitol, and agencies such as the Congressional Budget Office and the Congressional Research Service) — amounting to a \$23.9 million increase from FY 2000.
- The bill provides increased funding for the Capitol Police, appropriating \$103.9 million which is \$19 million more than the FY 2000 amount. It also calls for the creation of a chief administrative officer for the Capitol Police force.
- The General Accounting Office appropriation of \$384.9 million is the same as the Senate-passed level.

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